

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

TRUSTEES OF THE POLICE AND FIRE  
RETIREMENT SYSTEM OF THE CITY OF  
DETROIT, Derivatively On Behalf of MBIA INC.,

Plaintiff,

-against-

DAVID C. CLAPP, GARY C. DUNTON, CLAIRE  
L. GAUDIANI, DANIEL P. KEARNEY,  
LAURENCE MEYER, DAVID M. MOFFETT,  
DEBRA J. PERRY, JOHN A. ROLLS, RICHARD  
C. VAUGHAN, RICHARD H. WALKER,  
JEFFREY W. YABUKI,

Defendants,

-and-

MBIA INC.,

Nominal Defendant.

No. 08 Civ. 1515 (KMK) (GAY)

**NOTICE OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL  
OF DERIVATIVE LITIGATION SETTLEMENT**

PLEASE TAKE NOTICE THAT the Police and Fire Retirement System of the city of Detroit (PFRS), through counsel, hereby moves this Court before the Honorable Kenneth M. Karas, for an Order: preliminarily approving the proposed settlement, authorize dissemination of notice of the proposed settlement to MBIA's shareholders, and schedule a hearing to determine whether to finally approve the settlement. The MBIA Defendants have stated that they do not oppose this motion.

PLEASE TAKE FURTHER NOTICE that in support of this motion, PFRS submits herewith (1) PFRS' Memorandum of Law in Support of Plaintiff's Motion for Preliminary Approval of Derivative Litigation Settlement, (2) the Declaration of Denis F. Sheils, attaching the Stipulation of Compromise and Settlement, and (3) a proposed order.

Dated: October 15, 2012

Respectfully submitted,

**KOHN, SWIFT & GRAF, P.C.**

By: /s/ Denis F. Sheils  
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System of the City of Detroit*